Statement

Year	Quantity (in tonnes)	Duty (Rs. in crores)
1996	297.768	655.09
1997	527.858	1161.29
1998	627.358	1244.69

Nine-point action plan of RBI for financial system

57. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has suggested a nine-point action plan to form the basis of the financial systems of the future, including corporatising all statutory banks and financial institutions;

(b) if so, what are the details thereof; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANAKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) Reserve Bank of India (RBI) has released a discussion paper in the light of Khan Committee Recommendations regarding harmonising the role and operations of development financial institutions and banks. This includes the architecture of the financial system for the future. The system envisaged is on the following lines:

(1) The approach to universal banking should be guided by international experience and domestic requirements. The process of enabling the provisions of diversified services both by banks and FIs, either in-house or through the subsidiary route as a conglomerate, should continue albeit in a gradual and orderly fashion, subject to appropriate regulation by the Reserve Bank.

(2) In terms of institutions, ultimately there should be only banks and restructured NBFCs.

(3) In the meantime, however, the special role of DFIs is recognised and transitional path is envisaged for them to become either a fullfledged NBFC or a bank.

(4) Since banks are special, any conglomerate, in which a bank is present, should be subject to a consolidated approach to supervision an regulation.

(5) A corporate form of organisation under the Companies Act is preferred to provide the financial intermediaries, necessary flexibility for mergers, acquisitions and diversification to meet the needs of the devolving situation.

(6) The supervisory functions are to be delinked from refinancing institutions and brought under a consistent supervisory framework.

(7) The ownership role should be transferred from the RBI to the Government of India in respect of financial intermediaries so that there is a focussed attention by the RBI on its supervisory-regulatory functions.

(8) The harmoniation in the working of various institutions should be at the initiative of the organisations themselves, with the RBI being available for guidance and consultation.

(9) Various officiency issues partaining to each organisation have to be addressed individually by the banks/OFIs and they are encouraged to deliberate among themselves and take necessary decisions urgently.

(c) The RBI had indicated that the above proposals are meant for detailed discussions/comments by experts, banks/financial institutions, other market participants and the public in general. Necessary decisions will be taken by RBI in consultation with all concerned including the Government in the light of comments received by them.

विदेशी मुद्रा प्रवाह

58. लाला लाजपत राय: क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) वर्ष 1998 में अब तक अनुमोदित विदेशी वित्तीय सहायता और निवेश का अद्यतन ब्यौरा क्या है;

(ख) उक्त अवधि में वास्तव में देश में कितनी विदेशी मुद्रा प्राप्त की गई;

(ग) विदेशी निवेश संवर्धन बोर्ड को ऐसे कम मामलों की स्वीकृति की सलाह देने के लिए कौन-कौन से कदम उठाये गये/उठाये जा रहे हैं तथा साथ ही उक्त अवधि में

विशेष रूप से महाराष्ट्र, गुजरात और मध्य प्रदेश में स्वीकृत किये गये मामलों सहित राज्यवार मामलों की संख्या कितनी है; और

(घ) आज की तारीख में कितने मामले स्वीकृति के लिए लम्बित हैं?

वित्त मंत्री (श्री यशवन्त सिन्हा): (क) से (घ) सूचना एकत्र की जा रही है और सभा-पटल पर रख दी जाएगी।

Tax on agricultural income

59. DR. B.B. DUTTA: Will the Minister of FINANCE be pleased to state:

(a) whether a number of Economists have suggested to impose tax on agricultural income from time to time;

(b) if so, details thereof;

(c) whether there is a proposal to tax agriculture income; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) Yes, Sir.

(b) The Tax Reforms commitee (1991) under the chairmanship of Prof. Chelliah had recommended levy of income tax in those cases of tax payers having agricultural income above Rs. 25,000/-, whose non-agricultural incomes are above the exemption limit. The committee had recommended obtaining the consent of the State Governments for enacting such a provision. Later another study group (1995) constituted by Central Board of Direct Taxes for reviewing the exemptions and concessions under Income Tax Act, 1961 was of the firm view that in order to widen the tax base and raise revenue for developmental programms, agricultural sector should be brought within the scope of Direct Taxes. Long back in 1972 also a Committee on Taxation of Agricultural Wealth and Incomes was constituted under the chairmanship of Dr. K.N. Raj. This committee also recommended for taxation of agricultural income under Direct Taxes.

(c) No, Sir.

(d) In view of the (c) above, question does not arise.

सरकार द्वारा ऋण लिया जाना

60. **श्री कपिल सिब्बल:**
श्री बलवन्त सिंह रामूवालिया:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि सरकार ने चालू वित्त वर्ष 1998-99 के दौरान विभिन्न स्त्रोतों से कर्ज लिया है;

(ख) यदि हां, तो वे स्त्रोत कौन-कौन से हैं तथा प्रत्येक स्त्रोत से कितना कर्ज लिया गया है; और

(ग) मार्च, 1999 तक देश पर विभिन्न स्त्रोतों से लिए जाने वाले कुल कर्ज की राशि का क्या अनुमान है?

वित्त मंत्री (श्री यशवन्त सिन्हा): (क) और (ख) राजकोषीय घाटा, जो कुल व्यय (वापसी-अदायगी का निवल) और ऋण-भिन्न प्राप्तियों के बीच अंतर पूरा करने के लिए चालू वित्तीय वर्ष 1998-99 के दौरान अतिरिक्त उधार की आवश्यकताओं का द्योतक है, वर्ष 1998-99 के बजट अनुमानों में 91025 करोड़ रुपये रखा गया है। यह अतिरिक्त उधार बाजार ऋणों (48326 करोड़ रुपये), विदेशी सहायता (2337 करोड़ रुपये), लघु बचत स्कीमों (21640 करोड़ रुपये), भविष्य निधियों (5350 करोड़ रुपये), विशेष जमाराशियों (9495 करोड़ रुपये) और अन्य (3877 करोड़ रुपये) के माध्यम से जुटाने की योजना बनाई गई थी।

(ग) चालू वर्ष में राजकोषीय घाटे के संशोधित अनुमान दिनांक 27 फरवरी, 1999 को प्रस्तुत किए जाने वाले बजट दस्तावेजों में प्रतिबिंबित होंगे।

Reduction in budgetary deficit

61. SHRI PARAG CHALIHA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have of late taken any steps to ensure reduction in budgetary deficits which have been on an increase;

(b) if so, the details thereof; and

(c) the results assessed?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) With the introduction of Ways and Means Advances system from 1.4.1997 for the Central Government, the concept of budgetary deficit has lost its relevance from the financial year 1997-98. However, Government would endeavour to contain the fiscal deficit, which represents the total additional borrowing